GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4184
ANSWERED ON:19.04.2002
EXTERNAL LOANS
RADHA MOHAN SINGH

Will the Minister of FINANCE be pleased to state:

(a) whether the suggestions given by Reserve Bank of India regardingpayments of those external loans for which higher rate of interest is being charged is under consideration of the Government;

(b) If so, the names of those countries and the rate of interest charged by them; and

(c) the time by which these loans are likely to be re-paid?

Answer

Minister of State in the Ministry of Finance (SHRI BALASAHEB VIKHE PATIL)

(a), (b) and (c): Government of India have constituted an Ad-hoc Group comprising officials of Ministry of Finance and Reserve Bank of India to analyse the issues of prepayment of costly external debt. Prepayment of selected expensive external debt is under consideration of the Government. However, prepayment proposals of some PSUs, inrespect of their multilateral loans, have been cleared as per the guidelines outlined by the Ad-hoc Group for Prepayment of External Debt.